



# **REPRESENTATIVE ROBERTO R. ALONZO'S** capitol report



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**Photos:** (Above) Rep. Alonzo on House Floor; (Below) Chairman Jim Pitts.



## *House Appropriations Committee Chairman Jim Pitts Files House Budget Bill (HB 1) on Tuesday, Jan 15, 2013 to Start 2014-15 Budget Process in House*

On Tuesday, January 14, House Appropriations Committee Chairman, State Rep. Jim Pitts of Waxahachie, filed HB 1, the 2014-15 General Appropriations Act to start the state's budget process for the next biennium. According to Pitts, the bill is a starting point for the session-long budget process. It reflects the demands of a rapidly growing state, as well as the House's continued commitment to responsible fiscal leadership.

"The filing of this budget will allow the House to formally begin a discussion about Texas' priorities," said Chairman Pitts. "This bill recognizes the demands of population growth on public schools and Medicaid, and steadfastly maintains the House's commitment to fiscal discipline." *"During the budget process, it is my hope that members will come together in a nonpartisan fashion, and restore many of the cuts that hard-working, average Texas families have had to incur in the last 2 years, especially in the areas of education, Medicaid, health care, college affordability/accessibility, and jobs,"* said Rep. Alonzo.

The bill appropriates \$89.1 billion in General Revenue, and a total of \$187.7 billion in All Funds. Assuming the passage of a \$6.8 billion supplemental bill in the coming weeks, this is a \$2.2 billion decrease from 2012-13 levels. It spends \$3.7 billion less than allowed by the Constitutional Spending Limit and \$5.5 billion less than is available under the Comptroller's Biennial Revenue Estimate, released last week."

Other highlights include provisions to cover enrollment growth in the state's public schools and universities next biennium, fund the state's share of the *Medicaid* for the entire biennium and no new money for grants at the embattled *Cancer Prevention and Research Institute of Texas*.

The *Center for Public Policy Priorities*, which advocates for low-income Texans, said the \$89.1 billion general revenue figure means the 2011 budget cuts stay in place and that further cuts would become necessary. Also, they said that while HB 1 would fund enrollment growth, it would be at a lower per student level.

## *Timeline for KEY Provisions of Federal Affordable Health Care Act \**

According to the Texas Association of Health Plans (TAHP), *Capitol Health Beat*, January 2013 newsletter edition, there are certain timelines to key provisions of the Federal Affordable Health Care Act, (AHCA). By January 14, 2014, most Americans will be required to obtain health coverage or face financial penalties. Following is a timeline listing effective dates for other major consumer and payment reforms included in the AHCA:

### *Effective January 1, 2013:*

- State Medicaid programs are required to pay primary care physicians no less than 100 percent of Medicare payments rates in 2013 and 2014. The increase is to be funded by the federal government.
- Medicare pilot program is established to increase efficiency and quality of health care delivery by offering a flat rate or "bundled" payment to a group of providers (doctors, hospitals, specialists...) for a single episode of care rather than using a fragmented payment system where care is not coordinated.
- New funding available for state Medicaid programs to cover preventive services at little or no cost to patients.

### *Effective January 1, 2014:*

- Online health insurance marketplaces known as exchanges will open, offering health plans that meet certain benefits and cost standards.
- In participating states, individuals earning less than \$14,000 and families of four with incomes less than \$29,000 will be eligible to enroll in Medicaid. States will receive 100 percent of funding for the first three years, phasing to 90 percent in subsequent years.
- Annual dollar limits for coverage are prohibited for new health plans and existing group plans.
- Health coverage required to be provided even in the case of preexisting conditions.
- Higher rates based on gender or health status are prohibited.
- Second phase of small business and nonprofit organization credits for providing coverage to employees are implemented.

### *Effective January 1, 2015:*

- Payment reforms are implemented linking higher physician payments to those who provide higher quality of care.

[\* Material excerpted in part from and courtesy of the *TAHP Capitol Health Beat Newsletter*, January 2013 edition]